



General Assembly

February Session, 2000

***Raised Bill No. 5536***

LCO No. 1020

Referred to Committee on Labor and Public Employees

Introduced by:  
(LAB)

***An Act Concerning Illegal Subcontracting.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 31-69a of the general statutes is repealed and the  
2 following is substituted in lieu thereof:

3 In addition to the penalties provided in part III of chapter 557, [and]  
4 this chapter and chapter 568, any employer, officer, agent or other  
5 person who violates any provision of part III of chapter 557, [or] this  
6 chapter [, or both] or subsection (g) of section 31-288, shall be liable to  
7 the Labor Department for a civil penalty of three hundred dollars for  
8 each violation of said chapters and for each violation of subsection (g)  
9 of section 31-288. The Attorney General, upon complaint of the Labor  
10 Commissioner, shall institute a civil action to recover such civil  
11 penalty. Any amount recovered shall be deposited in the General Fund  
12 and credited to a separate nonlapsing appropriation to the Labor  
13 Department, for other current expenses, and may be used by the Labor  
14 Department to enforce the provisions of part III of chapter 557, [and]  
15 this chapter and subsection (g) of section 31-288.

16 Sec. 2. Section 31-76a of the general statutes is repealed and the

17 following is substituted in lieu thereof:

18 (a) On receipt of a complaint for nonpayment of wages or a  
19 violation of the provisions of subsection (g) of section 31-288, the Labor  
20 Commissioner, the director of minimum wage and wage enforcement  
21 agents of the Labor Department shall have power to enter, during  
22 usual business hours, the place of business or employment of any  
23 employer to determine compliance with the wage payment laws or  
24 subsection (g) of section 31-288, and for such purpose may examine  
25 payroll and other records and interview employees, call hearings,  
26 administer oaths, take testimony under oath and take depositions in  
27 the manner provided by sections 52-148a to 52-148e, inclusive.

28 (b) The commissioner or the director, for such purpose, may issue  
29 subpoenas for the attendance of witnesses and the production of books  
30 and records. Any employer [, his officer or agent, or the] or any officer  
31 or agent of any employer, corporation, firm or partnership who  
32 wilfully fails to furnish time and wage records as required by law to  
33 the commissioner, the director of minimum wage or any wage  
34 enforcement agent upon request, or who refuses to admit the  
35 commissioner, the director or such agent to [his] the place of  
36 employment of such employer, corporation, firm or partnership, or  
37 who hinders or delays the commissioner, the director or such agent in  
38 the performance of [his] the commissioner's, the director's or such  
39 agent's duties in the enforcement of this section shall be fined not less  
40 than twenty-five dollars nor more than one hundred dollars. [, and  
41 each] Each day of such failure to furnish the time and wage records to  
42 the commissioner, the director or such agent shall constitute a separate  
43 offense, and each day of refusal to admit, of hindering or of delaying  
44 the commissioner, the director or such agent shall constitute a separate  
45 offense.

46 Sec. 3. Section 31-290d of the general statutes is repealed and the  
47 following is substituted in lieu thereof:

48 (a) There shall be a workers' compensation fraud unit within the

49 office of the Chief State's Attorney in the Division of Criminal Justice.  
50 The unit, under the supervision of the Chief State's Attorney, may,  
51 upon receipt of a complaint, at the request of the chairman of the  
52 Workers' Compensation Commission or on its own initiative,  
53 investigate cases of alleged fraud involving any claim for benefits, any  
54 receipt or payment of benefits, or the insurance or self-insurance of  
55 liability under sections 31-275 to 31-287, inclusive, subsections (a) to (f),  
56 inclusive, of section 31-288 and sections 31-289 to 31-355a, inclusive.  
57 Upon conclusion of the investigation, the Chief State's Attorney shall  
58 take appropriate action to enforce the laws of this state.

59 (b) The workers' compensation fraud unit shall submit a quarterly  
60 report detailing its activities to the chairman and the Advisory Board  
61 of the Workers' Compensation Commission.

62 (c) The cost of the workers' compensation fraud unit shall be  
63 appropriated by the General Assembly as an expense of the Workers'  
64 Compensation Commission and shall be paid from the Workers'  
65 Compensation Administration Fund established under section 31-344a.  
66 The unit shall not engage in nor be assigned any duties or  
67 responsibilities other than those authorized by or necessary to carry  
68 out the provisions of this section.

69 Sec. 4. (NEW) The Labor Commissioner shall assign two  
70 investigators within the Wage and Workplace Standards Division to  
71 investigate potential violations of subsection (g) of section 31-288 of the  
72 general statutes.

73 Sec. 5. (NEW) Not later than December 31, 2001, and annually  
74 thereafter, the Labor Commissioner shall report to the joint standing  
75 committee of the General Assembly having cognizance of matters  
76 relating to workers' compensation concerning actions taken by the  
77 Labor Commissioner to enforce the provisions of subsection (g) of  
78 section 31-288 of the general statutes. The report shall address  
79 enforcement actions taken during the calendar year in which the report  
80 is submitted and shall include, but not be limited to: (1) The number of

81 cases investigated, (2) the number of such cases referred for  
82 prosecution or administrative hearings, (3) the amount of funds  
83 recovered, (4) the penalties imposed on individuals found to have  
84 violated the provisions of subsection (g) of said section 31-288, (5) a  
85 description of any training provided to investigators assigned to  
86 investigate potential violations of subsection (g) of said section 31-288,  
87 and (6) any other information requested by the committee.

***LAB Committee Vote:*** Yea 10 Nay 1 JF C/R JUD

***JUD Committee Vote:*** Yea 36 Nay 0 JF

***GAE Committee Vote:*** Yea 14 Nay 7 JF

***LM Committee Vote:*** Yea 22 Nay 0 JF